

8/11/61

9 AUG 1961

MEMORANDUM FOR: Director of Central Intelligence
THROUGH : Deputy Director (Intelligence) *NEP*
SUBJECT : British Guiana Elections

1. The British Guiana legislative election of 21 August will be close and the outcome is hard to predict, but the probability is that Cheddi Jagan's People's Progressive Party (PPP) will win by a small majority. In any case, the PPP has placed members of the party hierarchy in relatively safe constituencies and will as a result have a disciplined bloc of legislators, including at least a few known communists.

2. By contrast, both the People's National Congress, (PNC--Burnham's Negro racialist party) and the United Force (UF--Brewer D'Aguiar's multiracial collection of conservative businessmen and defectors from the PPP and PNC) would have troubles keeping their members in line regardless of how many seats they win. Depending on how the vote is split in the constituencies where the lists are cluttered by independents and candidates of the minor Guiana Independence Movement, the PNC might obtain a slight majority of the 35 seats. The

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United Force is considered unlikely to obtain more than a few seats but is of crucial importance for the way in which its candidates draw votes away from PPP and PNC candidates.

3. Under the new constitution which went into effect in late July, London now has control over only defense and foreign affairs. The new legislature will be bicameral with a nominated 13-member Senate empowered to delay but not thwart the will of the Assembly

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Eight of the senators are appointed by the governor on the advice of the Premier, three in consultation with members of the legislative opposition, and two at his discretion. The President of the Senate would be selected by the senators themselves. Cheddi Jagan's wife, Janet, wants the job, and these provisions appear to guarantee that she will get it if the PPP wins.

4. The present Executive Council is to be replaced by a Council of Ministers consisting of the Premier--presumably the leader of the majority party--and up to nine other ministers of which one to three must be members of the Senate and the rest members of the Legislative Assembly. These are appointed by the governor on the advice of the Premier.

5. If the PPP wins a majority of the 35 seats in the legislature, Jagan is therefore likely to become Premier (he has already informally led the colonial government as Minister

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of Trade and Industry) and his wife Janet (currently Minister of Labor, Health, and Housing) to become President of the Senate. A 43-year old East Indian dentist whose charm has won him considerable popular appeal, Jagan is probably a Communist. He publicly professes to be a socialist, but openly admires Castro's Cuba, equivocates when asked publicly if he is a communist

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Although the British deposed and jailed him in 1953-54 for attempting to establish a Communist state, they now feel he has altered his Marxist convictions and insist that he is sufficiently an idealist to be vulnerable to aid and friendship offers from the West. Jagan has frequently visited the US, and has been friendly and appreciative of aid received. Jagan is widely credited with good intentions--his government has been one of the few in the area which is financially honest--but he is both impractical and weak on economics with the result that he starts schemes he cannot finish and has even been scolded publicly in the legislative council by his wife for crazy ideas.

6. The 40-year old, US-born Janet Jagan is not running for a seat, perhaps because the pre-nomination campaign stressed that she was a white foreigner not devoted to Guianese interests.

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[redacted] She has not accomplished anything spectacular as Minister of Labor, Health, and Housing, but her forte is party organization which she has maintained well. She is considered to have the final say regarding PPP membership and to be a more doctrinaire Communist than her husband [redacted]

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[redacted] She appears capable of making interviewers think she is a sincere, charming woman if she chooses. She has two children but admits she ignores them and is more interested in party work.

7. The PPP candidates include old line PPP stalwarts, such as Present Minister of Natural Resources Benn, Minister of Community Development, Education and Police Rai, and Minister of Communications and Works Ram Karran--all of whom would probably retain their ministerial posts. Benn has caused considerable local comment over his proclivity for saying "you can stop tomorrow but not communism", and the others are probably also communists to some degree. None is particularly competent.

8. The people to watch are the young candidates; communists brought into party work by Janet since 1957 and now placed in safe seats. Perhaps the most important candidate for ministerial office is 31-year old Harvard-educated Ranji Chandisingh who was an active member of the British communist

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party and formerly connected with Tass. Since 1958, Chandisingh has been editing the PPP's weekly Thunder which follows the standard communist line. Another to watch is Lawrence Mann, editor of the virulently anti-US new PPP monthly Young Guiana. A recent graduate of the University College of the West Indies, Mann is reportedly a communist and is one of the few Negroes the PPP has brought into the party in its effort to wean away Negro voters who normally vote PNC. Another in the Negro category is Communist John Holder who for the last few years has been supporting himself by singing folk songs in New York. Another probable young Communist is Thunder-columnist Moses Bhagwan who visited Peiping last year.

9. The PNC party leader, Lyndon Forbes Sampson Burnham (Forbes to his friends), will probably retain a seat in any case, as he is running in the heavily Negro Georgetown stronghold. Burnham had communist associations before he split with Jagan to win 1955 to form his own political party in 1956

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His weekly paper has been

the most vicious of all in campaign polemics--calling Janet Jagan "White Lady Jew", for example. His administrative

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ability has not been tested but his party was only whipped into shape just before the election with some outside assistance and his egocentrism makes him unwilling to share leadership with others.

10. For the United Force, "Our Leader Peter" D'Aguiar will probably win at least his own seat. A firmly anti-Communist believer in Moral Rearmament,--a man of Portuguese extraction--D'Aguiar rose from the bottom to become a rich brewer. He appears to have good intentions but little political intuition or economic sense.

Acting Assistant Director
Current Intelligence

cc: DDCI

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ANNEX TO MEMORANDUM ON BRITISH GUIANA ELECTIONS DATED 9 AUGUST

1. Area: The area of British Guiana is approximately 83,000 square miles, of which about 85 percent is forest, 10 percent savannah country, and 5 percent coastal plain.

2. Topography: Most of the population and agricultural activity is concentrated in the 10-to-40 mile wide alluvial coastal plain, most of which has been reclaimed from the sea. The sparsely populated interior consists of dense tropical forests giving way to grassland savannahs near the Surinam border and in the southwest. In the west the Pakaraima mountain range stretches along the Venezuelan and Brazilian borders and consists of plateaus and a 9,000 foot peak. Most transportation is by river and internal air services, and there is a crucial need for roads linking the interior to the coast.

3. Population: As of 31 December 1959 the estimated population was 557,960, comprising 268,710 East Indians (nearly 50 percent), 186,800 Negroes (nearly 35 percent), 64,020 of mixed colored descent; 7,700 Portuguese, 5,000 other Europeans,

3,400 Chinese, and 22,240 Amerindians. Because of a higher birth rate, the East Indians annually increase their percentage of the population; the high percentage of children in the East Indian population accounts for the fact that only about a third of the voting-age population is East Indian. The Portuguese were among the original colonists of Guiana starting in the sixteenth century, and the territory came under British sovereignty in 1814. The East Indians and Chinese are the descendants of indentured servants and the Negroes of slaves imported to work the sugar and rice plantations. The Negroes currently consider themselves an underprivileged group and this view has been fanned by Burnham's accentuation of Negro racialism. The Amerindian natives in the interior have tended to keep to themselves.

4. Resources: British Guiana main resource is bauxite, of which it provides approximately 20 percent of the free world's supply--exporting mainly to Canada. Reynolds Metals is also mining bauxite and a subsidiary of Union Carbide is mining manganese. There is also mining of gold and diamonds. The colony is thought to be potentially rich in other minerals including columbite, tantalite, and iron. The tropical hardwood forests would be suitable for exploitation, as would the savannahs for cattle-raising except for the lack of roads and the lack of capital to build them. A loan offered by Cuba last August for

development of a timber industry appears to have fallen through. With a surplus of both land and unskilled labor, British Guiana's principal lack is capital.

5. Production: The principal products are cane sugar, rum, rice, bauxite, gold, diamonds, timber, cigarettes, margarine, and edible oil, and miscellaneous consumer products. Gross Domestic Product was estimated at BWI \$240,000,000 (\$1 BWI = .59¢ US) in 1960, up 11 percent from 1959.

6. Trade: The economy is greatly dependent on exports (which comprise some 45 percent of the gross domestic product) and the colony is extremely vulnerable to shifts in world demand for primary products, as sugar, bauxite, rice, and timber account for about 90 percent of exports. British Guiana generally runs a deficit on visible trade, almost half of which is conducted with Britain and secondarily Canada. The United States stands in second place to the United Kingdom as a supplier of foods and manufactured articles.

7. Unemployment: This is a major problem, with a high of around 18 percent.

8. Development Program: The current 5-year development program (1960-64) totals \$64,400,000, of which Britain may finance about half. The remainder is to come from annual budget surpluses, local loans, and external loans--e.g. from the IBRD (\$1,250,000 just granted), the U.S. Development Loan

Fund etc. The program concentrates on agricultural development, transport, miscellaneous surveys and educational and health projects.

9. Military and Police: There is a garrison in the colony of about 200 British troops to assist in internal security duties if needed. The largely Negro police force might be unreliable if used by the predominantly East Indian FFP against the Negro PNC. The present Minister of Police is a PPP party leader. There has been no significant election violence so far,

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